

# Measure 122 – Improving the economic value of forests

## Basic Information:

**Measure 122** – Improving the economic value of forests

**Programmed total public expenditure, 2007-2013 (EU 27):** €585 million (of which €369 million EAFRD contribution).

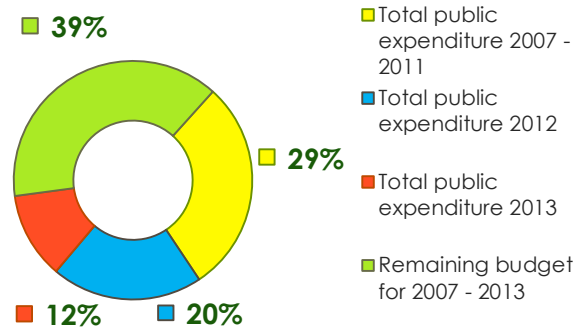
**Actual total public expenditure, 2007 to 2013 (EU 27):** €358.2 million or 61% of the programmed expenditure for 2007-2013. (Figure 1 shows the financial implementation up to 2013, whereas the output data presented below are up to 2012).

### Definition of output indicators of the measure:

- 1) "Number of forest holdings that received investment support" – refers to the number of forest holdings, receiving support for the investments they have made to improve the economic value of their forests.
- 2) "Total volume of investment" - refers to the total amount (= the sum of public and private expenditure) of all the tangible and/or intangible investments made by forest holdings, receiving support for improving the economic value of their forests.



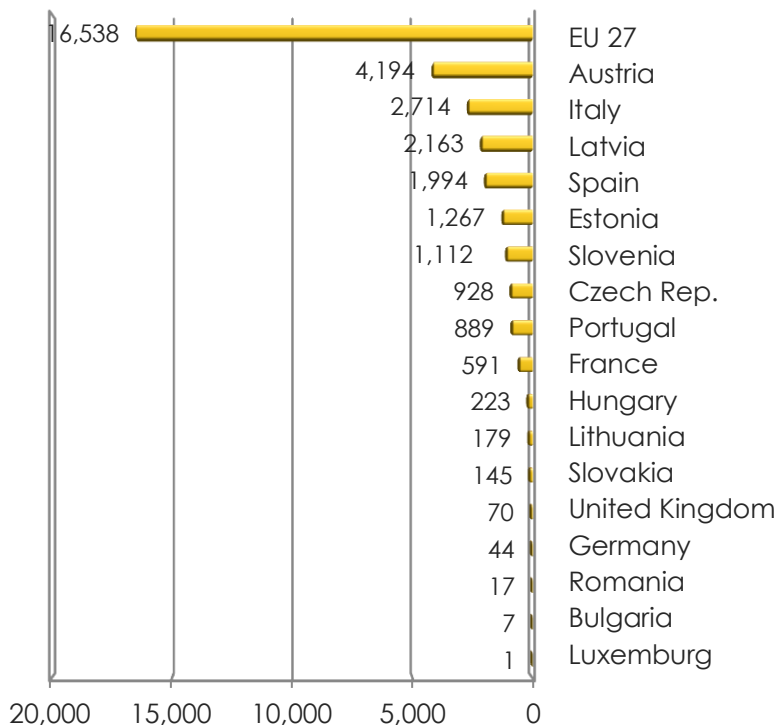
**Figure 1:**  
Measure 122 total public expenditure from 2007 to 2013 and remaining budget (EU 27)



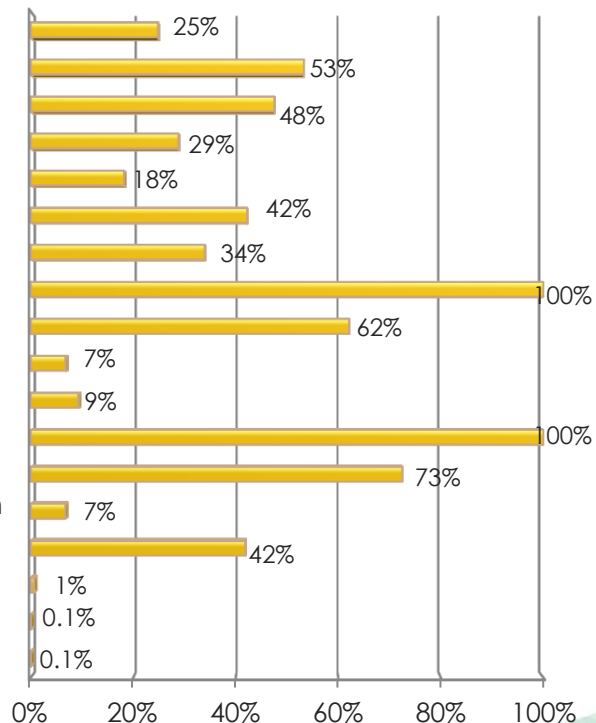
## Measure 122 – Number of forest holdings supported from 2007 to 2012\*

**Figure 2:**

Number of forest holdings supported



**Figure 3:** Number of forest holdings supported (% against 2007-2013 output targets)

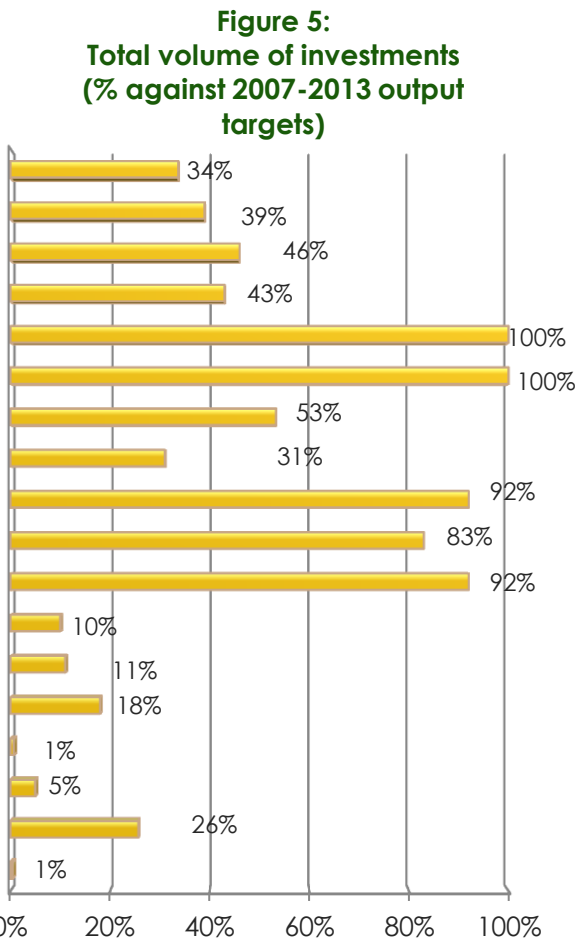
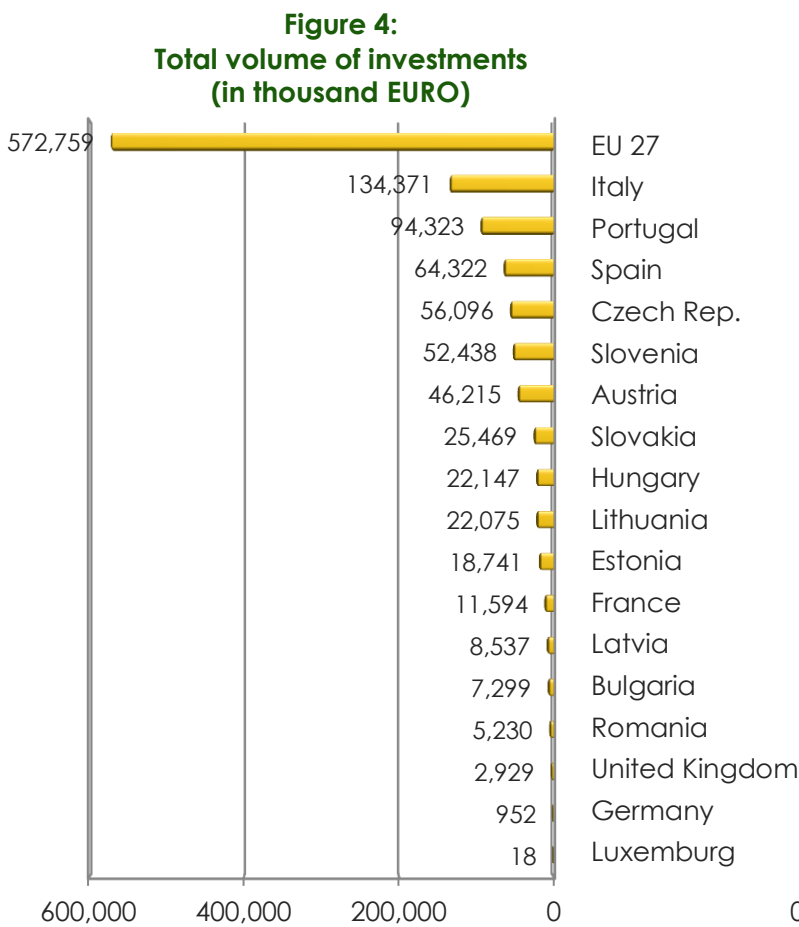


\*Data refer to the Member States for which information on the number of supported forest holdings was available.

## Measure 122 – Improving the economic value of forests

- ❖ During the first six years of implementing measure 122, almost 16,500 forest holdings have been supported across the EU (see figure 2). This number accounts for 25% of the target number of forest holdings to receive support for the period 2007-2013 (see figure 3).
- ❖ By 2012, Austria had supported the largest number of forest holdings among the MS (almost 4,200 forest holdings) reaching 53% of the declared national target for the whole programming period.
- ❖ Italy follows with 2,714 forest holdings supported (48% of the 2007-2013 target).
- ❖ In terms of implementation rate, the Czech Republic and Lithuania have exceeded the target set for the whole programming period.

### Measure 122 – Total volume of investments from 2007 to 2012\*



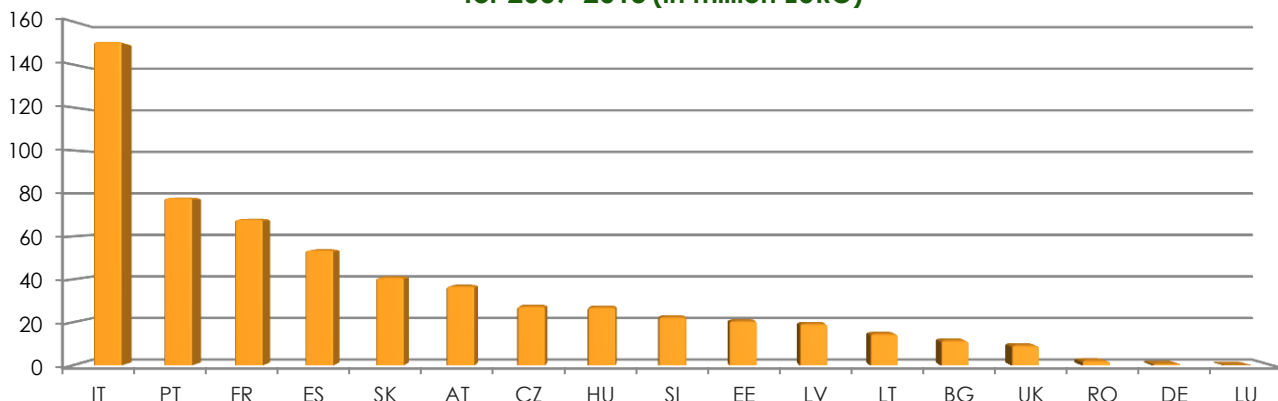
\*Data refer to the Member States for which information on the total volume of investments was available.

- ❖ At EU 27 level the total volume of investments made by forest holdings to improve the economic value of their forests, and for which they received support under measure 122, amounts to €573 million (see figure 4).
- ❖ In Italy and Portugal the total volume of investments amounts to approximately €134 and €94 million, respectively. In terms of implementation rate against the 2007-2013 targets these account for 39% (Italy) and 46% (Portugal) (see figure 5).
- ❖ Lithuania and the Czech Republic are the two MS with highest implementation rates reaching 100% of the target amount of investments for 2007-2013.

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## Key facts and figures

**Figure 6: Programmed total public expenditure on measure 122 per MS for 2007-2013 (in million EURO)**



- ✓ Measure 122 is programmed in 63 out of the 88 Rural Development Programmes (RDPs) across the EU 27.
- ✓ The largest RDP budget (programmed total public expenditure) allocated to Measure 122 - Improving the economic value of forests - is €151 million in Italy (see figure 6).
- ✓ Among the new Member States, the largest RDP budget has been allocated in Slovakia (€41 million), the Czech Republic (€27.5 million), Hungary, Slovenia and Estonia (€27.1, €22.5, €20.7 million respectively).
- ✓ The MS which have allocated the largest shares of their Axis 1 – Improving the competitiveness of the agricultural and forestry sector - funds on measure 122 are Estonia and Slovenia (5.9% and 5.4% respectively), followed by Slovakia (4.8%) and Austria (3.7%).

### Measure 122 project example: Biomass Energy Production utilising Forestry Waste Material, Slovenia

The project offered support for a forestry and livestock holding in Northeast Slovenia to develop a small biomass system in order to make good environmental use of waste wood material available by converting it to useable bio-energy.

The main aim of the investment project was to produce, consume and if possible sell some excess energy. After analysis of options and planning the investment, a new biomass system was purchased and installed. Cheaper and more ecologically friendly source of energy for heating water and providing warmth for the farm animals during the cold winter period is used now and some of the energy is sold to a neighbouring farm. This helped lowering operational costs and contributes in its small way to mitigating climate change.

The total cost of the project was €100,000, out of which €50,000 was EAFRD contribution.

Link: [http://enrd.ec.europa.eu/policy-in-action/rdp\\_view/en/view\\_projects\\_en.cfm?action=detail&backfuse=jsview&postcard\\_id=5221](http://enrd.ec.europa.eu/policy-in-action/rdp_view/en/view_projects_en.cfm?action=detail&backfuse=jsview&postcard_id=5221)

#### Source of the data:

1) Programmed expenditures 2007-2013: RDP budget allocation following Health Check revision (December 2013); 2) Expenditures 2007-2013: DG AGRI; 3) Output indicators: monitoring tables submitted by Managing Authorities along with the 2008, 2009, 2010, 2011, 2012 and 2013 Annual Progress Reports. Data referring to programming years 2007 to 2012. Only commitments made from year 2007 onwards are considered; 4) Output targets 2007-2013: DG AGRI

For further detailed information on financial / physical and output indicators data please refer to the dedicated ENRD website section on Monitoring Indicators.